

In-Home Supportive Services

The IHSS program provides domestic and related services such as housework, transportation, and personal care services to eligible low-income aged, blind, and disabled persons. These services are provided to assist individuals to remain safely in their homes and prevent institutionalization.

The Budget includes \$2 billion General Fund for the IHSS program in 2014-15, a 6.4-percent increase over the 2013 Budget. Average monthly caseload in this program is estimated to be 453,000 recipients in 2014-15, a 1.2-percent increase from the 2013 Budget projection.

In September 2013, the United States Department of Labor announced new regulations, effective January 1, 2015, that require overtime pay for domestic workers. In addition, new requirements were added that require compensation for providers traveling between multiple recipients, wait time that is associated with medical accompaniment, and time spent in mandatory provider training. These regulations have the potential to increase IHSS program costs by over \$600 million by 2015-16.

To control costs and promote the continued health and safety of Medicaid recipients in the program, the Budget proposes to prohibit providers from working overtime. As the employer for purposes of hiring, firing, scheduling, and supervising the work of his/her IHSS provider, this restriction will require some recipients to hire and train additional providers to fully provide their authorized services. The IHSS workforce will need to increase to accommodate this change.

A Provider Backup System will be established to assist recipients in an unexpected circumstance to obtain a provider for continued care when their regular provider would exceed the limitations on hours worked by continuing to provide services. In these circumstances, a recipient could contact the Provider Backup System for assistance in obtaining a backup provider who would be available in a short amount of time. Any services provided by the backup provider will be deducted from the recipient's authorized hours.

Combined implementation of the new federal requirements will cost \$208.9 million (\$99 million General Fund) in 2014-15 and \$327.9 million (\$153.1 million General Fund) thereafter. The IHSS program is also a key component of the Coordinated Care Initiative (CCI).

No earlier than April 2014, certain Medi-Cal beneficiaries residing in a county authorized to participate in the CCI demonstration will begin transitioning from the traditional fee-for-service model to a managed care model for receiving health care services, including IHSS services. Under CCI, the fundamental structure of the IHSS program will remain the same, with eligibility determination, assessment of hours, and program administration conducted by county social workers and administrative staff. For additional information on CCI, refer to the Department of Health Care Services section.